Survey of small scale traders conducted by incometax department

4404. SHRI YERRA NARAYANASWAMY: Will the Minister of FINANCE be pleased to state:

(a) whether Income Tax Department is carrying out an intensive survey of small scale traders to enforce PTS;

(b) what is the minimum outcome a small trader must have so as to come under the ambit of PTS;

(c) whether this survey would result in incresed harassment of small traders; and

(d) if so, the steps proposed to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY) (a) Survey operations under section 133B of the Income-tax Act, 1961 are intended to obtain information regarding all kinds of potential assessees irrespective of the types of business or the levels of turnover. They are continuing operations throughout a year to detect new assessees. While it is true that such survey operations will have the effect of persuading the taxpayers to come under the Presumptive Tax Scheme wherever eligible, the imensity of surveys are not directly related to the PTS;

(b) according to the proposal contained in the Finance Bill, 1995 presently before Parliament, a person carrying on the business of retail trade etc. can come under the ambit of PTS during the current financial year 1995-96 if his turnover from the small business does not exceed Rs. 6 lakhs and the income therefrom does not exceed Rs. 47,000. In respect of the other business or vocation mentioned in section 115K the person can not for the scheme if his income does not exceed Rs. 47,000 irrespective of the level of turnover. Also, in either case the income from sources other than the small business or vocation should not exceed Rs. 5000 in the aggregate;

(c) and (d) according to the existing instructions, when a survey team comes across a taxpayer who has paid tax under the simplified procedure no further questions will be asked regarding the business or vocation declared under the scheme. Hence there is no likelihood of any undue harassment of small traders in this regard.

Conversion of general Insurance Corporation into monolithic Corporation

4405. SHRI SANJAY DALMIA: Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal to convert the General Insurance Corporation from its present status as Holding Company to a Monolithic Corporation with complete autonomy;

(b) if so, the details thereof;

(c) whether Govt. propose to utilise the workforce to the optimum to increase the productivity and introduce the incentive-oriented service conditions for the employees belonging to all categories; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) and (b) No such proposal is under consideration.

(c) and (d) No such proposal is under consideration.

Draft consultative paper issued by SEBI

4406. SHRI HIPHEI: Will the Minister of FINANCE be pleased to state:

(a) whether the Securities and Exchange Board of India has issued a comprehensive 'daft consultative paper' to check fraudulent and unfair trade practices relating to securities market;